

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid-Up
With 640 Acres Pooling Provision

PAID-UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this 12 day of December, 2009, by and between: James W. Kinson and Jennifer M. Kinson, husband and wife, whose address is: P.O. Box 101172, Fort Worth, Texas 76185-1172, as Lessor, and Westside Royalty, LP, a Texas Limited Partnership, whose address is: 62 Hope Farm Road, Missouri City, Texas 77459, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises, to-wit:

FOR A LEGAL DESCRIPTION OF THE LEASED PROPERTY, SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES

in the County of TARRANT, State of TEXAS, containing .517 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of EIGHTEEN (18) months from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be **twenty-five percent (25%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be **twenty-five percent (25%)** of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are waiting on hydraulic fracture stimulation, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of one dollar (\$1.00) per acre then covered by this lease, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

4. All shut-in royalty payments under this lease shall be paid or tendered DIRECTLY to Lessor or to Lessor's credit in at Lessor's address above or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mail in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, if at any time Lessor elects to designate a depository institution for the purpose of taking receipt of, or otherwise accepting, the proceeds due to Lessor, Lessor shall deliver to Lessee a proper recordable instrument naming said institution as the depository agent to receive payments.

5. Except as provided for in Paragraph 3. above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall not conduct any operations upon the surface of the leased premises without the express written approval of Lessor. Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 600 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby **SPECIALLY** warrants and agrees to defend title conveyed to Lessee hereunder by, through and under Lessor's personal ownership of the property, and not otherwise, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use or engage in the use of the surface of the leased premises for any purpose whatsoever, at any time or for any reason, inclusive of, but not limited to, any activity that may involve drilling, storage, transportation processes, or any other operation of any type or kind, regardless of whether such operation or activity is directly or indirectly related to the development of the mineral estate leased herein. Lessee, its successors and/or assigns do hereby agree that no disturbance of the surface estate of the leased premises shall take place for any reason, or at any time, without first procuring the express written approval of Lessor. This provision shall apply at all times regardless of any unforeseen or extenuating circumstances that may occur, and any violation of this provision by Lessee shall result in the ipso facto termination of this lease agreement at the sole discretion of Lessor. Lessee does hereby acknowledge that this is a material provision of this lease and that Lessor would not otherwise execute or enter into said lease agreement without the inclusion of this express guarantee. Lessee shall faithfully uphold its obligation to enforce this provision, as a reasonable and prudent operator would do, throughout the term of this agreement. This provision shall survive the expiration and/or termination of this lease agreement for a period of five (5) years.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

18. Lessor agrees to execute, endorse, authorize or otherwise accept and have acknowledged before a Certified Notary Public in the State in which said instrument may be executed, any reasonable instrument or agreement that Lessee may deem necessary for the purpose of curing any defect or asserted defect directly related to the title ownership of the mineral estate being leased herein. This provision shall apply throughout the life of this lease. This provision of the lease is a **material condition** of said lease and Lessor agrees that Lessee would not otherwise enter into or otherwise agree to purchase this lease if Lessor should fail to faithfully uphold its responsibilities and/or obligations under the provision of the lease. Lessee shall provide Lessor a reasonable amount of time to execute, endorse, authorize or otherwise accept and have acknowledged before a Certified Notary Public in the State in which said instrument may be executed, any such instrument or agreement, but in no event shall Lessor take more than ten (10) business days to comply with or otherwise act upon Lessee's request.

19. In no event shall the delivery of shut-in royalty payments as described in Paragraph 3 of this lease act to extend this lease for a period of more than two (2) years. It is also agreed that any and all references herein with respect to the payment of shut-in royalties in the amount of one dollar (\$1.00) per acre shall be deleted and replaced by the amount of one-hundred dollars (\$100.00) per well, per year, for any well that may be currently producing minerals from the leased acreage or from acreage pooled therewith. All payments of shut-in royalties shall be accompanied by a written explanation of the circumstance or circumstances that have necessitated the shutting in of any well or wells that may be actively maintaining this lease, as well as Lessee's best estimate of as to when production from said well or wells shall resume. Lessor shall be entitled to an updated explanation of the aforementioned circumstances regarding the shutting in of any well from time to time as may be reasonably necessary for Lessor to maintain up-to-date, accurate and timely information as to any well or wells that may act to maintain this lease.

20. In calculating Lessor's royalty payments, the per-unit price to be paid for any hydrocarbon product produced under the terms of this lease shall never be less than the actual per-unit price received by Lessee for said hydrocarbons. **IN NO EVENT SHALL LESSOR'S ROYALTY PAYMENTS BE CHARGED WITH, REDUCED BY OR SUBJECTED TO ANY OF THE FOLLOWING COSTS WHATSOEVER, INCLUDING BUT NOT LIMITED TO, ANY PRODUCTION, POST-PRODUCTION, PROCESSING, MARKETING, TREATING, SEPARATING, PRESSURIZING DEHYDRATING OR TRANSPORTING COSTS OF ANY TYPE OR KIND. LESSEE HEREBY RETAINS THE RIGHT TO WITHHOLD ANY AND ALL APPLICABLE LOCAL, STATE OR FEDERAL TAXES FROM LESSOR'S ROYALTY PAYMENTS**

ALL ADDITIONAL PROVISIONS OF THIS LEASE CAN BE FOUND ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)



James W. Kinson

STATE OF TEXAS)
)
COUNTY OF TARRANT)
 \$

This instrument was acknowledged before me on the 12th day of December, 2009, by James W. Kinson and Jennifer M. Kinson, husband and wife.

OFFICIAL ACKNOWLEDGMENT

Jennifer M. Kinson

Notary Public, State of Texas
Notary's name (printed): Mark T. Gordon
Notary's commission expires: January 10, 2014

AFTER RECORDING PLEASE RETURN TO:
Westside Royalty, LP
ATTN: JIMMY D. WRIGHT
62 Hope Farm Road
Missouri City, Texas 77459



EXHIBIT "A"

Legal Description of the Leased Property (or "Subject Property")

(Attached to and made part of that certain Oil, Gas and Mineral Lease between James W. Kinson and Jennifer M. Kinson, husband and wife, as Lessor, and Westside Royalty, LP, as Lessee.)

0.517 acres, more or less, being Lot 12, Block 1, Fountain Mist Apartments Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, according to the Map or Plat thereof recorded in Volume 388-107, Page 85, Plat Records of Tarrant County, Texas, also being the same tract of land described in that certain Warranty Deed dated March 8, 2001, in favor of Jennifer M. Kinson, recorded as Document No. D201055109, Official Public Records of Tarrant County, Texas, and identified as 1200 Tyra Lane, Fort Worth, Texas 76114, and/or Georeference No. # 14630-1-12, by the Tarrant County Tax Appraisal District. The Subject Property is identified as the hatched parcel shown on the Tarrant County Tax Appraisal District Map.

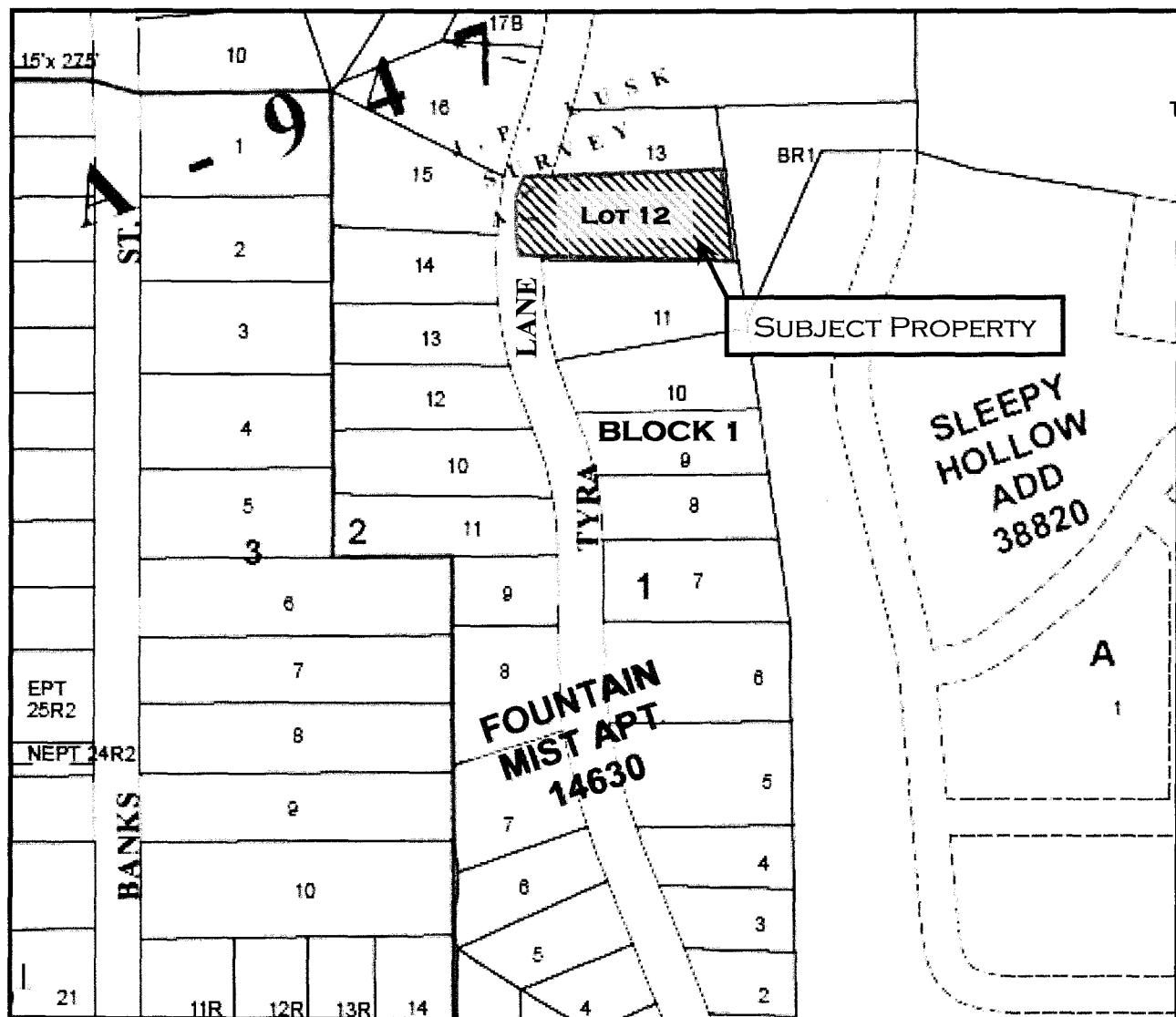
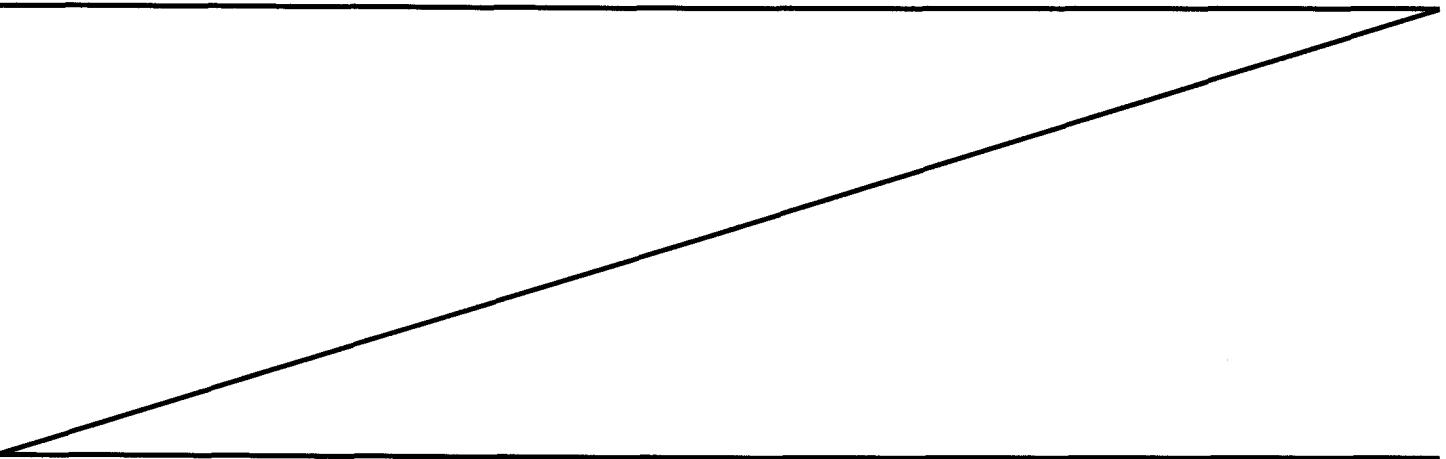


EXHIBIT "B"

(Attached to and made part of that certain Oil, Gas and Mineral Lease between James W. Kinson and Jennifer M. Kinson, husband and wife, as Lessor, and Westside Royalty, LP, as Lessee.)

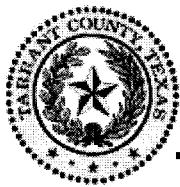
If any of the following provisions conflict with or are inconsistent with any of the printed provisions or terms of this Lease, the following provisions shall control

- 1) The right of Lessee to sell, assign or otherwise divest this Lease is expressly prohibited without first obtaining the written consent of Lessor. **Lessor's consent to any such sale, assignment or divestiture of this Lease shall not be unreasonably withheld.** THIS PROVISION SHALL NOT APPLY TO ANY SALE, ASSIGNMENT OR DIVESTITURE OF THIS LEASE PROVIDED THAT LESSEE MUST RETAIN AN INTEREST IN SAID LEASE AFTER ANY SUCH SALE, ASSIGNMENT OR DIVESTITURE HAS TAKEN PLACE.
- 2) Within **NINETY (90)** days following the date of the first sale of oil and gas produced from the leased premises, or from lands pooled therewith, Lessee, or the purchaser of production, shall issue payment to Lessor for royalties due under this Lease. If Lessee or purchaser should fail to issue timely payments of said royalty, Lessee shall pay Lessor interest on the amount or value of any unpaid royalty at an annual rate equal to the prime rate published by the Wall Street Journal at the time of the occurrence of said failure to issue timely payment of royalty, plus seven-percent (7%), but in no case shall the rate of interest to be charged be in excess of twelve and one-half percent (12.5%) or the highest rate of interest permitted under the laws of the State of Texas.
- 3) **LESSEE SHALL INDEMNIFY AND HOLD LESSOR HARMLESS FROM ANY AND ALL LIABILITY, LIENS, DEMANDS, JUDGEMENTS, SUITS AND CLAIMS OF ANY KIND OR CHARACTER ARISING OUT OF, OR IN CONNECTION WITH, OR RELATING TO LESSEE'S OPERATIONS UNDER THE TERMS OF THIS LEASE, INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR INJURY OR DEATH OF ANY PERSONAS, OR DAMAGE, LOSS OR DESTRUCTION OF ANY PROPERTY, REAL OR PERSONAL, UNDER ANY THEORY OF TORT, CONTRACT OR STRICT LIABILITY. LESSEE FURTHER COVENANTS AND AGREES TO DEFEND ANY SUIT BROUGHT AGAINST LESSOR ON ANY CLAIMS, AND TO PAY ANY JUDGEMENT AGAINST LESSOR RESULTING FROM ANY SUIT OR SUITS, TOGETHER WITH ALL COSTS AND EXPENSES RELATING TO ANY CLAIMS, INCLUDING ATTORNEY'S FEES.** THIS PROVISION SHALL SURVIVE THE EXPIRATION AND/OR TERMINATION OF THIS LEASE FOR A PERIOD OF FIVE (5) YEARS.
- 4) While there is a gas well or wells on the lease premises, or on acreage pooled with the lease premises, capable of producing gas in paying quantities, but gas from the well or wells is not being sold or used because of lack of market, market facilities, or transportation, Lessee shall pay for each well from which gas is not being sold or used, as a shut-in royalty, a sum equal to \$500.00 per well. This payment shall be due on or before thirty (30) days after the date on which this Lease ceases to be otherwise maintained. Thereafter, like payments will be due at annual intervals on or before the anniversary of the date the first payment is made. If the payment is made, this Lease shall not terminate and it will be considered that gas is being produced from the well or wells in paying quantities.
- 5) **THIS LEASE DOES NOT GRANT LESSEE THE RIGHT OR PRIVILEGE TO ENTER ONTO, OR OPERATE UPON, THE SURFACE OF THE LEASED PROPERTY DESCRIBED HEREIN, FOR ANY REASON OR AT ANY TIME, WITHOUT FIRST RECEIVING THE EXPRESS WRITTEN CONSENT OF LESSOR. LESSOR SHALL HAVE SOLE DISCRETION IN DETERMINING WHETHER SUCH EXPRESS WRITTEN CONSENT WILL BE GRANTED TO LESSEE.**



SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

WESTSIDE ROYALTY LP
ATTN JIMMY D WRIGHT
62 HOPE FARM ROAD
MISSOURI CITY, TX 77459

Submitter: MARK T GORDON

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 2/5/2010 3:38 PM

Instrument #: D210027500

LSE 5 PGS \$28.00

By: Suzanne Henderson

D210027500

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: AKCHRISTIAN